

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRICE CHANGES

Docket No. CP2021-28

**USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 1,  
WITH MATERIAL FILED UNDER SEAL**  
(November 25, 2020)

The United States Postal Service hereby provides its response to Chairman's Information Request No. 1, which was issued on November 19, 2020. Responses were due by November 30, 2020. Each question is reprinted verbatim in the attached, and is followed by the Postal Service's response. Material associated with the Postal Service's response to Question 2 is being filed under seal. The Postal Service herein incorporates by reference its Application for Non-Public Treatment in this docket for the protection of the material filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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## USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 1

1. The Postal Service states “[f]or Priority Mail Express, Priority Mail, Parcel Select, Parcel Return Service, USPS Retail Ground, and First-Class Package Service customers, a \$100 Fee will be assessed on parcels found in the mailstream that exceed the maximum mailable size limit (combined length and girth greater than 130 inches).” Notice at 2.
  - a. What percentage of total Priority Mail Express, Priority Mail, Parcel Select, Parcel Return Service, USPS Retail Ground, and First-Class Package Service volume are estimated to be charged the \$100 Fee?
  - b. What percentages of parcels that exceed the maximum mailable size limit are estimated to be commercial parcels and retail parcels?
  - c. Please describe the process for determining whether a parcel should be charged the \$100 Fee.
  - d. Please describe the process for the collection of the \$100 Fee once a parcel has been determined as exceeding the maximum mailable size limit.
  - e. Please provide an estimate of revenue loss and total costs caused by instances of parcels that exceed the maximum mailable size limit, occurrences of lower postage assessments and manual processes in FY 2019.
  - f. Please provide an estimate of projected revenue and cost savings due to the introduction of the \$100 Fee.

### **RESPONSE:**

- a. No estimate exists as this is not currently a measured category. However, this is expected to constitute a very small percentage of volume.
- b. Unknown. Please also see the response to (a) above.
- c-d. If a clerk suspects the package in question exceeds the maximum mailable size limits, they will measure the length and width/girth of the package to determine if it exceeds 130 inches. If the package exceeds 130 inches, the clerk will scan the package with a code specific to Oversize and process the fee if the package is at any point other than the entry point.
- e-f. No estimate exists because there is no system that tracks these items. The fee is designed to act as a deterrent to customers who disregard mailing requirements.

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2. In similar filings in previous years, the Postal Service has provided amongst the supporting workpapers the Excel file "PS Summary Calc.xlsx". See, e.g., Docket No. CP2020-5, United States Postal Service Notice of Changes in Rates of General Applicability for Competitive Products, October 9, 2019 (Docket No. CP2020-5 Notice). Please provide an updated version of that Excel file or else explain why it is not relevant to the financial analysis of this docket.

**RESPONSE:**

The requested Excel file has been filed under seal. A redacted version is attached to this response.

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3. In similar filings in previous years, the Postal Service has set the minimum charge per list for Address Enhancement Services (AES) at 1000 times the per-record price. See, e.g., Docket No. CP2020-5 Notice, Attachment to Governors' Decision 19-3, § 2605. In the instant filing, the Postal Service has proposed a minimum charge per list for AES at approximately 965.5 times the proposed per-record price. Notice, Attachment to Governors' Decision 20-5, § 2605. Please confirm that the prices listed for AES in the Attachment to Governors' Decision 20-5 are accurate. If not confirmed, please indicate the correct proposed per-record price and minimum charge per list.

### **RESPONSE:**

Confirmed.